

Assembly Bill No. 2434

CHAPTER 738

An act to add and repeal Sections 17138.2 and 24308.2 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor September 28, 2014. Filed with
Secretary of State September 28, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2434, Gomez. Income taxes: exclusion.

The Personal Income Tax Law provides an exclusion from gross income for any amount received as a rebate or voucher from a local water or energy agency or supplier for the purchase or installation of a water conservation water closet, energy efficient clothes washers, and plumbing devices, as specified. The Personal Income Tax Law and the Corporation Tax Law provide an exclusion from gross income for any rebate, voucher, or other financial incentive issued by the California Energy Commission, the Public Utility Commission, or a local publicly owned electric utility for any expenses paid or incurred by a taxpayer for the purchase or installation of a thermal system, solar system, wind energy system device that produces electricity, or a fuel cell generating system.

This bill would, for taxable years beginning on or after January 1, 2014, and before January 1, 2019, under both of these laws, provide an exclusion from gross income for any amount received as a rebate, voucher, or other financial incentive issued by a local water agency or supplier for participation in a turf removal water conservation program.

This bill would take effect immediately as a tax levy.

The people of the State of California do enact as follows:

SECTION 1. Section 17138.2 is added to the Revenue and Taxation Code, to read:

17138.2. (a) For taxable years beginning on or after January 1, 2014, and before January 1, 2019, gross income does not include any amount received as a rebate, voucher, or other financial incentive issued by a local water agency or supplier for participation in a turf removal water conservation program.

(b) This section shall remain in effect only until December 1, 2019, and as of that date is repealed.

SEC. 2. Section 24308.2 is added to the Revenue and Taxation Code, to read:

24308.2. (a) For taxable years beginning on or after January 1, 2014, and before January 1, 2019, gross income does not include any amount received as a rebate, voucher, or other financial incentive issued by a local water agency or supplier for participation in a turf removal water conservation program.

(b) This section shall remain in effect only until December 1, 2019, and as of that date is repealed.

SEC. 3. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.